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12 July 1954

MEMORANDUM FOR: J.F.D.

FROM: A.W.D.

In the light of existing intelligence, the following developments in the Indo-China situation are possibilities to be taken into account:

1. The USSR, Chicoms, and Viet Minh will make proposals which Mendes-France (boxed in as he is by his own dead lines and maneuvering, and by the critical French military situation) would accept rather than risk a continuation of the battle. The British would probably go along with him rather than actively intervene in the Indo-China fighting. These proposals will vary substantially from the seven point US-UK program.

2. The Viet Nam government, represented by Diem, will reject the Communist proposals but Bao Dai's acceptance of them will be bought by the French.

3. The Communist will then state that it is not worth their while to enter into an agreement not accepted by all the major powers represented at the Geneva Conference and that American rejection of, or non-acquiescence in, the proposals, coupled with Diem's attitude, makes any agreement impossible.

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4. The Viet Minh forces will then make an all-out attack on Hanoi with the possibility that they could isolate it and turn it into another Dien Bien Phu. The French might of course succeed in evacuating a part of their force which is now in Hanoi and some of the loyal Viet Nam civilians. (Something approaching a massacre of the non-evacuated pro-French elements is quite likely.)

5. The Communists would so maneuver as to place the blame upon the United States for this situation and this would be widely accepted in France and to some extent in England.

6. Our analysis of the situation in Hanoi is that the Viet Minh forces could probably take the city which is south of the Red River and highly vulnerable, at almost any time, or on the alternative they could shortly cut off the rail line from Hanoi to Haiphong. Even assuming that Mendes-France rejected the Communist proposals and fought on it is unlikely that the French Union forces could hold Hanoi until conscript reinforcements arrive next September or later; unless American air and naval forces were thrown into the battle.